STATE OF RHODE ISLAND
DIVISION OF PUBLIC UTILITIES AND CARRIERS
89 JEFFERSON BOULEVARD
WARWICK, RHODE ISLAND 02888

IN RE:

Petition of Rhode Island PBS Foundation to

Adjust Public, Education, & Government

Docket D-22-11

Access Fees

ORDER

Whereas: On June 7, 2022, the Rhode Island PBS Foundation ("RIPBS" or "Petitioner"), 50 Park Lane, Providence, Rhode Island, filed a petition with the Rhode Island Division of Public Utilities and Carriers ("Division") wherein it requests Division approval to adjust Public, Education, & Government Access Fees ("PEG") assessed to subscribers of cable television providers who have elected to have RIPBS operate PEG services on their behalf. The petition was filed pursuant to R.I. Gen Laws § 39-19-6.1(c), 815-RICR-00-00-1.13 of the Division's Rules of Practice and Procedure 815-RICR-10-05-1.17 of the Division Rules Governing Community Antenna Television Systems.

<u>Whereas</u>: In support of its request, RIPBS declares that a decline in cable television subscribers has had a direct impact on the revenue generated by the monthly PEG Access Fees assessed to subscribers and has impacted the amount of revenue available to successfully operate PEG Access.

Whereas: RIPBS declares that it has experienced a 21% decline in PEG Access Fees over the last six consecutive years and has made many changes to mitigate the decline in revenue, including consolidating studios, relocating studios to new facilities with better lease rates, and other such efficiencies.

Whereas: RIPBS's declares that despite diligent efforts to cut expenses as much as possible, RIPBS has not been able to keep up with the declining subscribership by reducing its expenses and cannot reasonably reduce its expenses any further while still meeting its statutory and regulatory obligations.

Whereas: RIPBS projects that, without an increase in the amount of the fees, the decline in funds received from PEG Access and Interconnect Fees will continue to decline annually.

<u>Whereas</u>: RIPBS requests a proposed adjustment of \$0.07, to the monthly PEG Access and interconnection fee from \$0.48 to \$0.55 resulting in an annual customer increase of \$0.84/year.

Whereas: Both Cox Communications and Verizon submitted written comments on the instant petition raising no objections but requesting 60 days to allow the service providers to notify customers and implement changes in PEG Access Fees following Division approval.

Whereas: The Division's Advocacy Section propounded a number of indepth discovery requests to RIPBS, seeking additional details surrounding personnel expenses, capital asset funding, long-term capital asset planning and other relevant information relating to RIPBS' current and future financial projections.

Whereas: RIPBS submitted a Supplemental Memorandum in Support of its Petition in order to address certain questions raised by the Division's Advocacy Section and made changes to the proposed mechanism for future adjustments to PEG Access Fees which include:

1. A proposed modification to the submission date for RIPBS' annual reconciliation filing to be no later than March 31st of each year in order to provide the Advocacy Section additional time to evaluate RIPBS' filing; and 2. A proposed change to the annual reconciliation mechanism to include an adjustment that will ensure that the Advocacy Section and the Division will have firm current and actual revenue and expense numbers to review in the reconciliation filing.

Whereas: On August 2, 2022, the Division's Advocacy Section submitted a memorandum in support of RIPBS' Petition and recommends approval of the instant petition and adoption of the proposed adjustment mechanism.

Whereas: After considering RIPBS' petition and supporting arguments and based upon the discovery conducted in this matter and the absence of concern from both Cox Communications and Verizon, the Division finds the proposed fee adjustment and reconciling mechanism appropriate in light of the prudent and reasonable expenses incurred, or projected to be incurred, by RIPBS in operating and maintaining PEG Access facilities, playback equipment, and interconnection equipment.

Accordingly, it is

(24464) **ORDERED**:

- 1. That RIPBS' June 7, 2022 petition seeking Division approval to adjust PEG Access and Interconnection Fees \$0.07 from \$0.48 to \$0.55 is hereby approved. This increase shall become effective 60 days from the date of this Order.
- 2. That RIPBS' annual reconciling filings with the Division shall be submitted no later than March 31st of each year.
- 3. That the annual reconciliation will reconcile to calendar year actual revenues and expenses. The new formula will calculate the proposed adjustment to PEG Access Fees for each upcoming fiscal year, based on actual PEG revenues received and actual PEG costs incurred in each preceding calendar year. This adjustment is intended to ensure that the

Advocacy Section and the Division will have firm and current actual revenue and expense numbers to review in the reconciliation filing.

DATED AND EFFECTIVE AT WARWICK, RHODE ISLAND ON SEPTEMBER 1, 2022.

Mark Allen Simpkins, Esq.

Hearing Officer

APPROVED:

Linda George, Esq.

Administrator



STATE OF RHODE ISLAND

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NOTICE OF AVAILABILITY OF JUDICIAL REVIEW

(PROVIDED PURSUANT TO R.I.G.L. § 42-35-12)

Please be advised that if you are aggrieved by this final decision (report and order) of the Rhode Island Division of Public Utilities and Carriers ("Division") you may seek judicial review of the Division's final decision by filing an appeal with the Rhode Island Superior Court. You have thirty (30) days from the mailing date (or hand delivery date) of the Division's final decision to file your appeal. The procedures for filing the appeal are set forth in Rhode Island General Laws, Section 42-35-15.

Proceedings for review may be instituted by filing a complaint in the Superior Court of Providence or Kent Counties. Copies of the complaint must be served upon the Division and all other parties of record in your case. You must serve copies of the complaint within ten (10) days after your complaint is filed with the Superior Court.

Please be advised that the filing of a complaint (appeal) with the Superior Court does not itself stay enforcement of the Division's final decision. You may however, seek a stay from the Division and/or from the Court.

The judicial review shall be conducted by the Superior Court without a jury and shall be confined to the record. The Court, upon request, shall hear oral argument and receive written briefs.